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June 1, 1992

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ALEXANDRIA, VA 22314

Donna R. Searcy, Secretary Federal Communications Commission Washington, D.C. 20554

Re:

ET Docket No. 92-100

RM-7977, et al.

Dear Ms. Searcy:

Transmitted herewith, on behalf of Celpage, Inc., please find enclosed the original and five copies of its Comments in the above-referenced proceeding.

If you have any questions or require additional information concerning this matter, kindly communicate with the undersigned.

Sincerel

Frederick M. Jpyce

FMJ/id enc.

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Before the FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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JUN = 1 1992

In re: Petitions for Rulemaking to		FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY	
Request Allocating 930-931 MHz	j j	ET Docket No. 92-100	
Reserve Band Spectrum for)	RM-7977	
Narrowband Data or Advanced)	RM-7978	
Paging Services.)	RM-7979	
)	RM-7860	
)	RM-7980	

To: Office of Engineering & Technology

COMMENTS OF CELPAGE, INC.

Frederick M. Joyce Its Counsel

JOYCE & JACOBS 2300 M Street, N.W. Eighth Floor Washington, D.C. 20037 (202) 457-0100

Date: June 1, 1992

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Before the FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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To: Office of Engineering & Technology

COMMENTS OF CELPAGE, INC.

Celpage, Inc., through its attorneys, and pursuant to Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, respectfully submits these Comments in general support of the above-referenced Petitions for Rulemaking (the "Petitions") that are requesting allocation of radio spectrum for a variety of "Advanced Messaging Services."

I. Statement of Interest.

Celpage is the licensee of Radio Common Carrier and Private Carrier Paging facilities throughout the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and the Continental United States. The Commission's actions in these related rulemaking proceedings will have broad implications for Celpage's service industries. Accordingly, Celpage has standing as a Party in Interest in this rulemaking proceeding.

Separate requests were filed by, <u>inter alia</u>, Dial Page, Inc., Mobile Telecommunications Technologies Corp., PacTel Paging, and PageMart, Inc.

II. <u>Summary of Proposals</u>.

The Petitioners have asked the FCC to initiate rulemaking proceedings to set-aside a portion of the 930-931 MHz band for what may be generically described as Advanced Messaging Services. Though there are technical differences between some of the proposed services, they share a common interest in providing interested customers with various enhancements to the current state-of-the-art for one-way messaging ("paging") services.

For example, one of the Petitioners has requested the FCC to allocate channels for a type of paging service that will allow the user to "confirm" receipt of a page.² Several other Petitioners have asked for channel allocations to implement Advanced Messaging Services that could transmit data, voice and video to a variety of portable devices.³

In terms of license allocations, some of the Petitioners favor the grant of only regional or nationwide licenses for the proposed services on the assumption that the unique financial, technical and operational requirements of Advanced Messaging Services are not compatible with local assignments.⁴ Others favor an FCC schema that allows both regional and local allocations.⁵ One of the

See Dial Page, L.P. <u>Petition for Rulemaking</u>.

³ <u>See</u>, <u>e.g.</u>, PacTel Paging <u>Petition for Rulemaking</u>; Mobile Telecommunications Technology Corp. <u>Ex Parte</u> submission re: Advanced Messaging Services; and, PageMart <u>Petition for Rulemaking</u>.

See, e.g., Pactel <u>Petition</u> at 9-11.

See PageMart <u>Petition</u> at 19.

Petitioners has requested that no more than three carriers be licensed in a particular "region" for Advanced Messaging Services.⁶

With respect to the method for selecting the licensees to provide these services, there is a general consensus favoring lotteries. One Petitioner, however, favors a "streamlined comparative hearing process" for the selection of licensees.

III. A Spectrum Set-Aside Would Encourage Advanced Services.

From a service perspective, each of the Petitioner's proposals warrants attention. Celpage, as a provider of alphanumeric paging services, is well aware of the public's interest in obtaining more, not less, information in the cost-effective, user friendly format with which paging has become synonymous.

The Petitioners' various proposals are part of the natural evolution of paging services toward the provision of more information to a greater number of users in a wider variety of formats. The FCC's statutory mandate to make available "to all the people of the United States a rapid, efficient, Nationwide" radio communication service "at reasonable charges" will certainly be served by any one or all of these proposals. See 47 U.S.C. § 151.

Though there is potential in each of the proposed Advanced Messaging Service formats; it is not apparent from the petitions how far the manufacturers have gone toward fulfilling the "promise"

⁶ Dial Page, L.P. Petition at 14.

 $^{^7}$ PageMart Petition at 20.

that these proposals hold. Thus, Celpage submits that the FCC should not favor any one Advanced Messaging Service format, but rather, the FCC should allocate sufficient spectrum to ensure that these alternative service proposals are not artificially constrained due to spectrum limitations.

As a paging service provider, Celpage understands that it is difficult, if not impossible, to efficiently operate diverse paging formats and services on the same frequency with common equipment. A frequency allocation in the 900 MHz band that is specifically set-aside for Advanced Messaging Services, rather than shared with conventional paging services, will provide interested carriers with the necessary incentive to purchase new equipment and market these services in a manner that will not harm or degrade existing, conventional paging services. That is simply a sound regulatory idea.

IV. There Should be no Limits on License Allocations.

Some of the Petitioners have expressly or implicitly proposed a limit on the number of Advanced Messaging Service licenses that should be allocated in a particular region. Celpage submits that any artificial limits on license allocations would have anticompetitive implications, and would not serve the public's interest in obtaining "reasonably priced" communications services from a variety of sources.

⁸ <u>See</u>, <u>e.g.</u>, Dial Page L.P. at 14, which would restrict license allocations to three per region.

Some of the Petitioners seem to be focusing on the Commission's cellular licensing policies as a guideline for Advanced Messaging Service allocations. The two per market allocation scheme, however, is not necessarily a good "role model" for the allocation of Advanced Messaging Service licenses.

There are many in the industry, indeed at the Commission itself, that are already having second thoughts about the competitive impact of the "two per market" regulatory structure of the cellular industry. See, e.g., Cellular Bundling Policy, CC Docket 91-34, Report No. DC-2108, (May 14, 1992)(wherein the FCC indicated its "reservations about the status of competition in the cellular service market"). See, also, dissenting opinion of Commissioner Duggan. Id.

Though few could question the successful implementation of cellular service nationwide, there is room to ponder whether the public would benefit from lower service prices if the marketplace, rather than the FCC, dictated the number of cellular carriers per area. Indeed, in considering rules for the implementation of new Personal Communications Services, the FCC has begun to debate the merits of exclusive versus non-exclusive license assignments.

See Policy Statement and Order, Gen. Docket No. 90-314, "Amendment of the FCC's Rules to Establish New Personal Communications Services," (October 25, 1991).

Celpage respectfully submits that any Advanced Messaging Service allocations should be made on a non-exclusive basis. The marketplace, and the financial wherewithal of the carriers, will

surely dictate how many carriers can effectively compete for these services on a nationwide, regional, or even local basis.

Paging is a perfect example, perhaps to the chagrin of some paging carriers in major markets, of what open competition can mean to the public. In those jurisdictions that do not artificially limit the number of paging carriers per market, the public benefits with aggressive, lower prices, and a wider variety of service providers from which to choose. That is the best "role model" for Advanced Messaging Services.

With adequate safeguards against frequency speculators, such as those proposed by some of the Petitioners⁹, and adequate spectrum allocations, there will be no need to artificially limit the number of carriers that wish to provide these services. For its part, Celpage certainly looks forward to having the opportunity to be a provider of Advanced Messaging Services.

⁹ <u>See</u>, <u>e.g.</u> Pactel Paging at 15-17 (financial, construction, and "loading" requirements, among others, would be required of all Advanced Messaging Service applicants.).

CONCLUSION

For all the foregoing reasons, Celpage respectfully submits that the FCC should initiate formal rulemaking proceedings consistent with these Comments and the referenced Petitions to allocate spectrum for Advanced Messaging Services.

Respectfully submitted,

CELPAGE, INC

By:

Frederick M. Joyde

Its Counsel

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Date: June 1, 1992

CERTIFICATE OF SERVICE

I, Isabelle Delhaes, a secretary with the law firm of Joyce & Jacobs, do hereby certify that on this 1st day of June, 1992, copies of the foregoing Comments of Celpage, Inc. were mailed, postage prepaid, to the following:

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